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Joseph G. Nassif Ext. 325

August 10, 1995

Via Facsimile 312-886-0747

Mr. Kurt N. Lindland Assistant Regional Counsel United States Environmental Protection Agency Region V 77 West Jackson Boulevard, CS-29A Chicago, Illinois 60604-3590

EPA Region 5 Records Ctr. 247032

Re:

Standard Scrap Metal/Chicago International Exporting Site, Chicago, Illinois

Dear Mr. Lindland:

We wholeheartedly invite you to go before the Court on the issue of the cessation of the sampling plan. We want to be there when you demand that Chicago International pay a fine, despite the fact that your action rendered it impossible for Chicago International to pay for the sampling plan. When you sent document demands to all of Chicago International's electric motor customers, without comment or notice to Chicago International, and despite the Court's "request" to you to cooperate, you caused a major upheaval in its operations. My firm alone has received nearly a dozen telephone calls, which is a small percentage of the calls that Chicago International has received, from customers following your 104(e) letter. You did not even have the courtesy of providing us with a copy **before** Chicago International's customers received the notice.

While we are before the Court, we will be certain to advise the Court that the two rounds of the sampling plan, which have been completed, confirm that the activities of Chicago International could not have caused the significant contamination that was discovered on the site. Despite this fact and statements of your own site people regarding the lack of significance of the electric motor operations, you sent these letters knowing the damage they would cause. Furthermore, we

BS-142919.1



told you that such a letter would cause Chicago International tremendous losses. It goes beyond arrogance for you to now threaten our client with refusing to go forward with something which you have essentially made impossible. We believe that you intentionally distributed the letter before we could file our citizen suit because you knew that the Court would stop you from doing the damage you have caused.

While the rest of us are fighting diligently to assist Chicago International to continue to do business, perhaps you can occupy yourself with the thought that you have successfully undone many years of effort by our client to build this business. I do promise you one thing, you will get the opportunity to explain your actions if, in fact, Chicago International is able to survive what is clearly an unnecessary and reckless act on your part. We invite you to raise this issue with the Court at the hearing on August 22nd. You can be assured, if testimony is taken on that date, that we expect to call you to the stand, along with several other EPA representatives and contractors.

If Chicago International can pay for the work being done by Mr. Anderson, it will be completed. That work will demonstrate the arbitrary and capricious nature of the Agency's actions toward Chicago International. At the present time, thanks to your action, we are quite busy trying to convince recipients of your letter not to cancel orders, commence litigation, or stop shipments to Chicago International. (Attached is a copy of the indemnity agreement being demanded of Chicago International.) We will advise Mr. Faryan shortly as to the status of the sampling program.

Finally, rest assured we have no intention of consenting to any extension of the August 17th due date for your brief. This confirms our position given to you and Mr. Brooks during your conversation with Linda Tape last week.

Very truly yours,

Joseph G. Nassif

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cc: Mr. Samuel D. Brooks Via Fax 312-886-0657

> Ms. Christine M. Liszewski Via Fax 312-886-0747

Chicago International Chicago, Inc.

ENVIRONMENTAL INDEMNIFICATION AGREEMENT

THIS	ENVIRONMENTAL INDEMNIPE	CATION AGREEMENT (dus
"Agreement")	is made and entered into as of the	day of August, 1995, by
CHICAGO INTERNATIONAL, INC., 4020 S. Wentworth Avenue. Chicago, II.		
60609 ("Indemnitor"), its successors and assigns, to and for the benefit of		
	co	orporation,
, its successors and assigns ("Indenmitee").		

WITNESSETH:

WHERRAS, Indemnitee sells ferrous materials to Indemnitor on terms and conditions negotiated between Indemnitee and Indemnitor;

WHEREAS, as a condition to continuation of the business relationship between Indemnitee and Indemnitor, Indemnitee requires the Indemnitor to execute and deliver this Agreement.

NOW, THEREPORE, Indemnitor, as an inducement to Indemnitee to purchase goods, hereby covenants and agrees to and for the benefit of Indemnitee as follows:

- 1. Recitals. The recitals set forth above are true and correct and are by this reference incorporated herein.
- Hazardous Materials. As used in this Agreement, the term "Hazardous Materials" means any hazardous or toxic substances, materials or wastes, including, but not limited to those substances, materials, and wastes listed in the United States Department of Transportation liazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and amendments thereto, or such substances, materials and wastes which are or become regulated under any applicable local, state or federal law including, without limitation, any material, waste or substance which is (i) petroleum, (ii) asbestos, (iii) polychlorinated biphenyls, (iv) defined as a "hazardous weste". "extremely hazardous waste" or "restricted hazardous waste", under federal law and applicable state law, (v) defined as a "hazardous substauce" under federal law and applicable state law, (vi) defined as a "hazardous material", "hazardous substance" or "hazardous waste" under federal law and applicable state law, (vii) defined as a "hazardous substance" under federa) law and applicable state law, (vili) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. Section 1251. gi keg. (33 U.S.C. Section 1321), or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. Section 1317), (ix) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. Section